GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3501
ANSWERED ON:07.09.2007
UNDER STATEMENT OF NON -PERFORMING ASSETS
Adsul Shri Anandrao Vithoba

Will the Minister of FINANCE be pleased to state:

(a) whether it has come to the notice of the Government that UCO Bank has been reporting under-statement of its Non-Performing Assets (NPAs) for the last few years;

(b) if so, the details thereof;

(c) whether any inquiry has been conducted in the matter;

(d) if so, the outcome thereof; and

(e) the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) During the Annual Financial Inspections (AFIs) of UCO Bank conducted by Reserve Bank of India (RBI) with reference to its position as on March 31, 2005 and March 31, 2006, the divergence in asset classification was noticed in respect of some loan accounts, which constituted about 4.78% and 3.61% respectively of gross non-performing assets of the bank.

(c) to (e): The details of AFI reports are discussed with the Management of the bank for rectifying the deficiencies noticed in the functioning of the bank.